

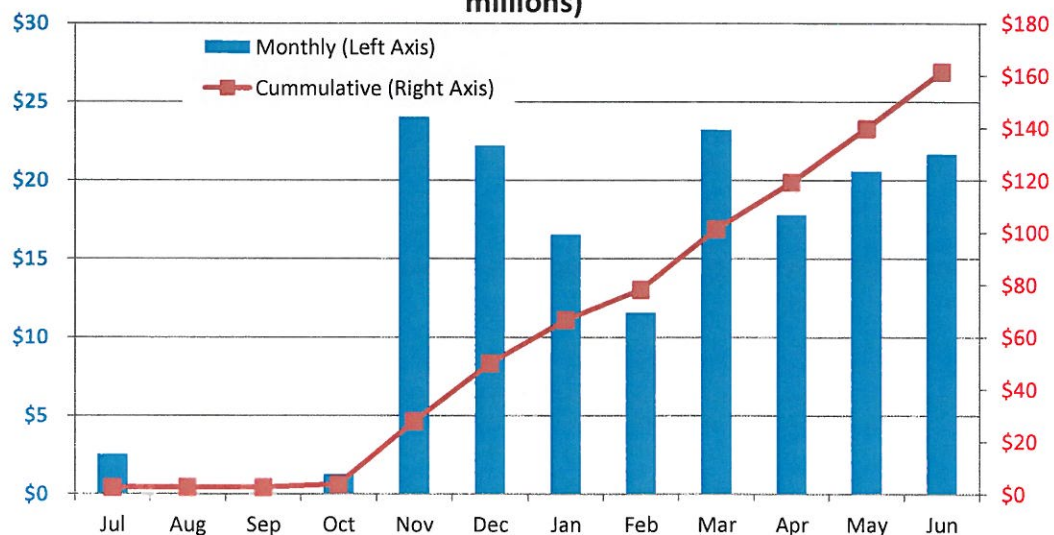
FY 2013 Actual and FY 2014 Estimate

Dollars in Millions

	REC Estimate - Adjusted	Actual	\$ Difference	% Difference
Cash Receipts (actual)	\$ 7,790.7	\$ 7,888.4	\$ 97.7	1.3%
Refunds (actual)	-861.0	-830.5	30.5	-3.5%
Sales Tax School Infra. (est.)	-423.7	-423.7		
Accruals (est.)	19.8	19.8		
Transfers (est.)	110.8	110.8		
Total Revenue	\$ 6,636.6	\$ 6,764.8	\$ 128.2	1.9%
\$ Growth Compared to FY 2012	\$ 453.7			
% Growth Compared to FY 2012	7.2%			

	FY 2014 Estimate
March REC - Not adjusted	\$ 6,870.6
Cigarette Tax Deposit Change	-118.4
Gambling Tax Deposit Change	-66.0
Earned Income Tax Credit	-30.2
Other Adjustments	0.5
FY 2014 March REC - Adjusted	\$ 6,656.5
\$ Growth Compared to FY 2013	\$ -108.3
% Growth Compared to FY 2013	-1.6%

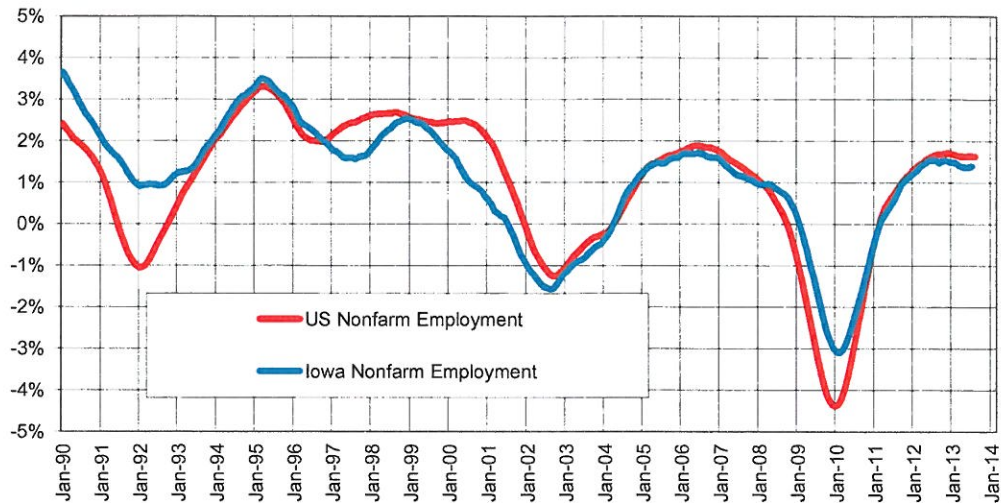
FY 2013 Cigarette, Tobacco, and Gambling Tax GF Deposits (in millions)



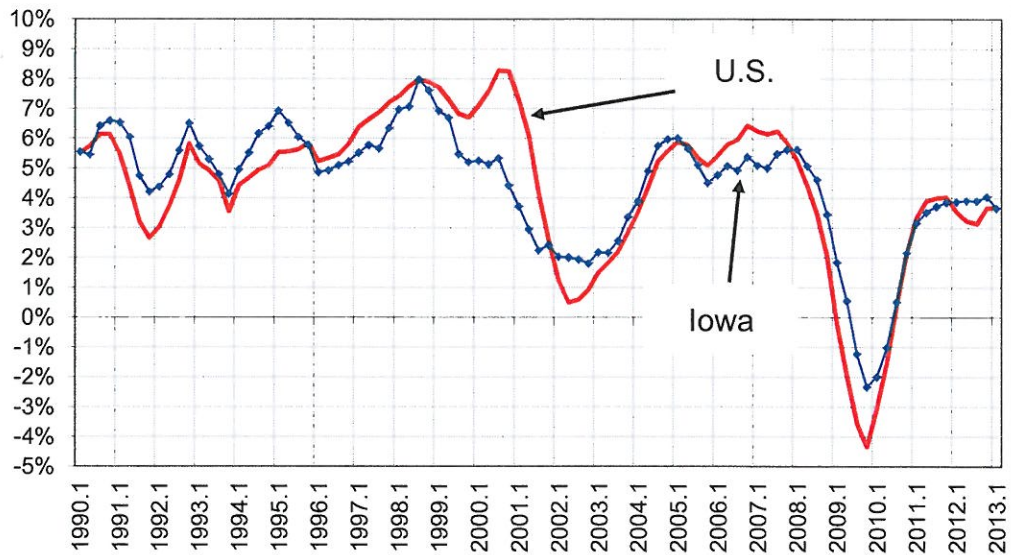
Receipts Summary Spreadsheet
Source: Iowa Legislative Services Agency

			% Change FY14 vs. FY13
Tax Receipts	FY13 YTD 9/9/12	FY14 YTD 9/9/13	FY13 Actual
Personal Income Tax	\$556,722,848.87	\$572,319,505.80	2.8%
Sales Tax	\$365,032,413.75	\$379,923,647.43	4.1%
Use Tax	\$90,761,520.66	\$93,964,494.29	3.5%
Corporate Income Tax	\$63,359,454.36	\$75,827,907.09	19.7%
Inheritance Tax	\$15,689,856.64	\$15,878,828.23	1.2%
Insurance Premium Tax	\$47,220,893.40	\$48,950,982.98	3.7%
Cigarette Tax	\$317.00	(\$227.14)	-171.7%
Tobacco Tax	\$2,522,385.85	\$1,409,677.16	-44.1%
Beer Tax	\$1,697,949.35	\$2,720,082.05	60.2%
Franchise Tax	\$4,356,137.00	\$5,580,257.79	28.1%
Miscellaneous Tax	\$26,938.84	\$28,509.90	5.8%
Total Tax Receipts	\$1,147,390,715.72	\$1,196,603,665.58	4.3%
Other Receipts			
Institutional Payments	\$2,690,488.85	\$3,087,811.51	14.8%
Liquor Transfers - Profits	\$14,000,000.00	\$19,450,000.00	38.9%
Liquor Transfers - 7% Gross Revenues	\$4,048,685.95	\$3,103,705.05	-23.3%
Interest	\$280,696.20	\$308,538.51	9.9%
Fees	\$6,343,938.71	\$6,268,566.36	-1.2%
Judicial Revenue	\$10,339,894.87	\$9,054,921.02	-12.4%
Miscellaneous Receipts	\$6,519,817.22	\$8,092,812.59	24.1%
Racing and Gaming	\$0.00	\$0.00	0.0%
Total Other Receipts	\$44,223,521.80	\$49,366,355.04	11.6%
Total Gross Receipts	\$1,191,614,237.52	\$1,245,970,020.62	4.6%
Cash Refunds			
Cigarette Stamp Refunds	(\$97,229.08)	(\$99,882.35)	2.7%
Use Tax Refunds - Other	\$0.00	\$0.00	0.0%
Income Tax Refunds	(\$25,136,959.69)	(\$26,365,966.64)	4.9%
Sales Tax Refunds	(\$5,045,774.89)	(\$4,393,936.39)	-12.9%
Refunds - Other	(\$365,489.54)	\$6,882.38	-101.9%
Corporate Tax Refunds	(\$20,888,729.39)	(\$26,207,678.25)	25.5%
Use Tax Refunds	(\$2,317,010.01)	(\$4,786,218.95)	106.6%
Franchise Tax Refunds	(\$232.00)	(\$54,164.00)	23246.6%
Tobacco Tax Refunds	(\$426.50)	\$70.00	-116.4%
Inheritance Tax Refunds	(\$174,827.66)	(\$170,116.10)	-2.7%
Refund Reimburse-RUTF	\$173,530.41	\$192,826.66	11.1%
School Infrastructure Refunds	(\$88,137,894.75)	(\$104,039,621.05)	18.0%
Total Cash Refunds	(\$141,991,043.10)	(\$165,917,804.69)	16.9%
Net Receipts	\$1,049,623,194.42	\$1,080,052,215.93	2.9%

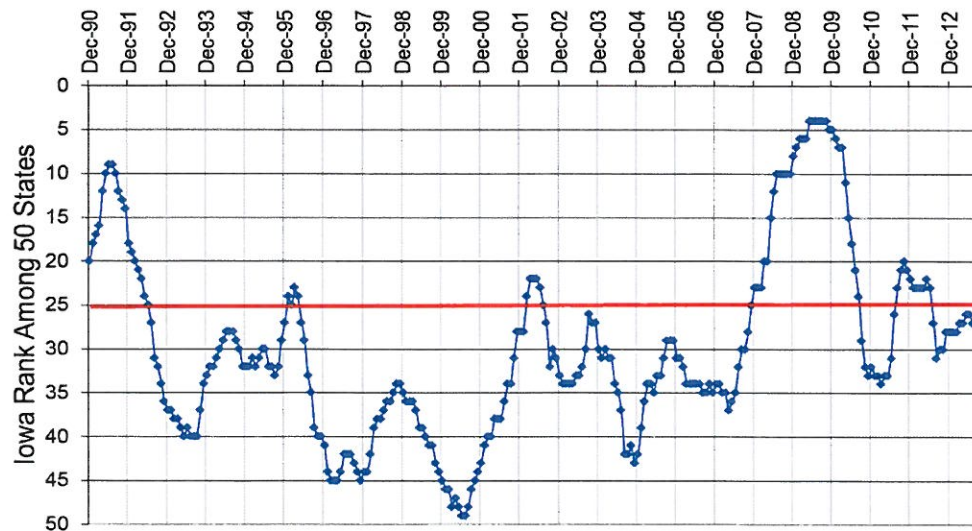
Iowa and US Nonfarm (NF) Employment - 12 Month Moving Average



Annual Wage & Salary Growth - Iowa & U.S.



Iowa's Rank Among the 50 States According to the Philadelphia Federal Reserve Board State Coincident Indicator Index
1 is highest ranked state



Summary:

- 1) Preliminary FY 2013 General Fund revenue equals \$6.765 billion, \$454 million (7.2%) above FY 2012 and \$128 million above the March REC estimate, adjusted for law changes. The numbers will change somewhat as the FY 2013 books close at the end of September.
- 2) The current REC estimate for FY 2014 is \$6.657 billion, after adjustment for law changes. This is \$108 million (- 1.6%) below the preliminary FY 2013 level. The REC will address the FY 2014 estimate at the October meeting.
- 3) Three very significant law changes will impact FY 2014 results, but the impact will not be evident in receipt comparisons until November. The changes to cigarette, tobacco, and gambling tax deposit destinations alone will remove more than \$160 million when compared to the FY 2013 income stream.
- 4) Through September 9, General Fund net receipts are up 2.9% compared to FY 2013. Personal income tax growth is low at 2.8%, while sales and use tax (3.5% to 4.0%) and corporate tax (19.7%) are both doing quite well. Refunds issued are up 16.9%, but much of that growth has to do with a one-time school infrastructure transfer.
- 5) Iowa employment growth has been out-performing the national trend since the onset of the past recession (December 2007).
- 6) Iowa wage and salary income also has been outperforming the national trend over that timeframe.
- 7) However, both nationally and in Iowa, wage and salary growth has been low compared to previous economic expansions.
- 8) The Philadelphia Federal Reserve Bank State Coincident Indicator Index is one of the only existing indices of relative state economic performance. After a bout of strong relative performance during the latest recession, Iowa is now slightly below the average state.